

COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

Provide assistance to companies creating a substantial number of new jobs in Missouri.

Whether the company is expanding its workforce or locating a new facility in the State, this program is designed to assist with the costs of training the employees in the newly created jobs.

HOW THE PROGRAM WORKS

Local community colleges initially finance training through the sale of certificates. The certificates are repaid by using tax credits from the employer's regular withholding that is based on a percentage of the gross wages paid to employees in the new jobs. The tax withholding is equal to 2.5% of gross wages for the first 100 new jobs and 1.5% for the remaining new jobs. To repay the training and certificate costs, the tax withholding for projects in excess of \$500,000 may be claimed up to eight years, and those projects not in excess of \$500,000 may be claimed up to ten years.

ELIGIBLE APPLICANTS

Businesses with a sound credit rating currently located in or locating to Missouri engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products are eligible. Companies that conduct research and development or provide services in interstate commerce are also eligible. Retail businesses, health and professional services do not qualify for the program.

ELIGIBLE USE OF FUNDS

Funding can be used toward reimbursement for the training and costs associated with the issuance of certificates. Training activities such as skill assessment, orientation, pre-employment training, occupational skill training, and on-the-job training can be included in the project.

Withholding tax credits claimed in excess of the amount of the project are returned to the Department of Revenue.

APPLICATION PROCEDURE

The appropriate community college will submit a "Notice of Intent" for a potential project to the Department of Economic Development's Division of Workforce Development (DWD). DWD determines company eligibility and reviews for training duplication. On behalf of the company, the community college will then submit an application for the New Jobs Training Program outlining training details. Upon approval of the application by DWD, the community college may enter into a formal contract agreement with the company. However, the community college board of trustees must approve all final project agreements.

FUNDING LIMITS

The current limit on the total amount of outstanding certificates sold by all community college districts is \$55 million.

SPECIAL PROGRAM REQUIREMENTS

Other eligibility criteria may be applied, such as types of occupations, types of industries, and minimum wage rates.

CONTACT

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